

Message Text

LIMITED OFFICIAL USE

PAGE 01 USUN N 02439 01 OF 02 160154Z

66

ACTION IO-14

INFO OCT-01 AF-10 ARA-16 EA-11 EUR-25 NEA-14 RSC-01 ISO-00

ABF-01 TRSE-00 OMB-01 EB-11 AID-20 SS-20 NSC-07 L-03

H-03 SP-03 CIAE-00 INR-11 NSAE-00 PA-04 PRS-01 USIA-15

FEA-02 COME-00 DRC-01 /195 W
----- 127637

R 160011Z JUL 74

FM USMISSION USUN NEWYORK

TO SECSTATE WASHDC 4706

INFO AMEMBASSY ADDIS ABABA

USINT ALGIERS

AMEMBASSY ATHENS

AMEMBASSY BOGOTA

AMEMBASSY BRASILIA

AMEMBASSY BRUSSELS

AMEMBASSY BUENOS AIRES

AMEMBASSY CANBERRA

AMEMBASSY CARACAS

USMISSION GENEVA

AMEMBASSY THE HAGUE

AMEMBASSY JAKARTA

AMEMBASSY JIDDA

AMEMBASSY KINSHASA

AMEMBASSY KUALA LUMPUR

AMEMBASSY LAGOS

AMEMBASSY LONDON

AMEMBASSY MEXICO

AMEMBASSY NEW DELHI

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY PORT OF SPAIN

AMEMBASSY RABAT

AMEMBASSY ROME

AMEMBASSY TEHRAN

AMEMBASSY STOCKHOLM

AMEMBASSY BEIRUT

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 USUN N 02439 01 OF 02 160154Z

USMISSION OECD PARIS UNN

USMISSION EC BRUSSELS UNN

LIMITED OFFICIAL USE SECTION 1 OF 2 USUN 2439

BEIRUT PASS USINT BAGHDAD

E.O. 11652: N/A

TAGS: EGEN, EAID, UNGA

SUBJ: SYG'S EMERGENCY OPERATION: DONORS MEETING JULY 15

REF: (1) STATE 151379; (2) USUN 2438

1. SUMMARY: SYG'S DONORS MEETING WENT LITTLE BEYOND REVIEW OF PLEDGES ALREADY MADE. APPARENTLY FORESEEING THESE RESULTS, WALDHEIM PROPOSED AT OUTSET NEED FOR WELL PREPARED FOR SECOND MEETING AT MINISTERIAL LEVEL, IN NYC IN SECOND HALF OF SEPTEMBER JUST BEFORE THE 29TH GA. NO OBJECTIONS VOICED TO SECOND MEETING. END SUMMARY.

2. WALDHEIM OPENED MEETING BY NOTING THAT REPLIES TO HIS APPEAL WHILE IN SOME WAYS ENCOURAGING UNFORTUNATELY HAD ALSO BEEN (A) INCOMPLETE, (B) NOT TRANSLATED INTO SPECIFIC ACTION, (C) ENCUMBERED BY BEING MADE DEPENDENT ON ACTIONS OF OTHERS AND (D) NOT MIRRORING AS MUCH URGENCY AS SITUATION WARRANTED. HE URGED THAT EMERGENCY OPERATION NOT BECOME ENTANGLED IN COMPLEX INTER-GOVERNMENTAL NEGOTIATIONS ON BURDEN SHARING. IN CALLING FOR HIGHER LEVEL MEETING AROUND OPENING OF GENERAL ASSEMBLY SESSION, WALDHEIM SAID PURPOSE WOULD BE TO REVIEW WHAT ACTIONS HAD BEEN TAKEN AND TO DEAL WITH ANY REMAINING PROBLEMS SUCH AS PRECONDITIONS ON PLEDGES, ETD. WALDHEIM POINTED OUT THAT LATE SEPTEMBER TIMEFRAME WOULD FACILITATE ATTENDANCE OF MINISTERS WHO WOULD BE COMING FOR UNGA. (WALDHEIM EARLIER IN THE DAY HAD SAID HE WAS THINKING OF CALLING MINISTERIAL-LEVEL MEETING IN TWO TO THREE WEEKS. WE UNDERSTAND THAT HE WAS PERSUADED TO DELAY IT BECAUSE U.S. AND OTHER POTENTIAL DONORS--PRESUMABLY OIL PRODUCERS-- WOULD STILL NOT BE ABLE TO MAKE COMMITMENTS AT THAT TIME.)

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 USUN N 02439 01 OF 02 160154Z

3. IN LENGTHIER REMARKS, RAUL PREBISCH, SYG'S SPECIAL REPRESENTATIVE FOR EMERGENCY OPERATION, DESCRIBED SECRETARIAT'S EFFORTS AT BOTH ASSESSING NEEDS AND ELICITING RESOURCE INPUTS. HE REPORTED THAT HIS STAFF, PULLED TOGETHER FROM IMF, IBRD, FAO, UNDP, UNCTAD AND UN SECRETARIAT, HAD NOT RPT NOT YET BEEN ABLE TO REACH AGREED POSITION ON DETAILED ASSESSMENT OF MSA'S SITUATION.

HE EXPECTED THAT REPLIES TO SYG'S MESSAGE TO DEVELOPING COUNTRIES WOULD HELP IN THIS EFFORT. HE CONCLUDED, HOWEVER, THAT EXERCISE SO FAR HAD REVEALED "NO REASON TO BELIEVE" THAT TOTAL RESOURCE NEED WOULD BE MATERIALLY DIFFERENT FROM THE ESTIMATE REFERRED TO IN THE PAST BY OTHERS, I.E., \$3 TO \$4 BILLION. (SINCE PREBISCH EXPLICITLY SPEAKING IN TERMS OF EMERGENCY OPERATION, HOWEVER, HE WAS DEFINITELY REFERRING TO PERIOD OF THE NEXT TWELVE MONTHS.) PREBISCH CONCEDED THAT SITUATION MIGHT CHANGE TO SOME DEGREE AS A RESULT OF DROP IN PRICES OF SOME LDC IMPORTS.

4. WITH REGARD TO POTENTIAL CONTRIBUTIONS TO EMERGENCY OPERATIONS, PREBISCH ADDRESSED HIMSELF ESPECIALLY TO OIL PRODUCERS. HE EMPHASIZED THAT CHANNEL OF ASSISTANCE WAS NOT A CRITERION AND THAT BILATERAL AND REGIONAL EFFORTS ALL "FIT WITH HIS CONCEPTION." ROLE OF EMERGENCY OPERATION WAS TO COORDINATE NEEDS WITH RESOURCES. HE CLARIFIED, THOUGH, THAT CHARACTER AND COMPOSITION OF AID WERE SIGNIFICANT, CALLING ATTENTION TO VAGUENESS OF SOME OIL PRODUCERS' CLAIMS OF AID TOTALING UP TO \$2 BILLION. IN PARTICULAR, AID WOULD HAVE TO MEET CRITERION OF MEETING EMERGENCY ESSENTIAL IMPORT NEEDS OF LDC'S AND DEGREE OF CONCESSIONALITY WAS IMPORTANT. BILATERAL AID COULD BE AN IMPORTANT LARGE COMPONENT BUT SOME OF THE AID PROBABLY WOULD HAVE TO BE DISPENSED VIA MULTILATERAL CHANNELS TO BEST FILL IMPORTANT GAPS THAT WOULD OTHERWISE LIKELY REMAIN. HE CONCLUDED THAT STUDY AND ANALYSIS SHOULD NOT HOLD UP ACTION IN VIEW OF "VERY VULNERABLE" SITUATION OF SOME LDC'S WHICH COULD LEAD TO "CHAIN EFFECTS."

4. ALTHOUGH MCNAMARA, WITTEVEEN, AND UNDP HEAD PETERSON ON DAIS, THEY DID NOT ADDRESS THE MEETING. THEY MET LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 USUN N 02439 01 OF 02 160154Z

WITH WALDHEIM AND PREBISCH AT LUNCH (PERHAPS INFLUENCING TIMING OF SECOND MEETING OF DONOR GROUP) AND WERE TO HOLD EVALUATION SESSION AFTER MEETING.

5. DEVELOPED COUNTRY DONORS SPOKE ALONG FOLLOWING LINES:

(A) FRANCE, SPEAKING FOR EC-9, LED OFF STATEMENTS BY GOVERNMENT REPRESENTATIVES, REPEATING TEXT OF EC LETTER REGARDING \$500 MILLION CONTRIBUTION. GERMAN DELEGATE SUPPLEMENTED FRENCH STATEMENT WITH APPEAL THAT EC OFFER QUICKLY BE MATCHED BY OTHER CONTRIBUTORS.

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 USUN N 02439 02 OF 02 160133Z

66

ACTION IO-14

INFO OCT-01 AF-10 ARA-16 EA-11 EUR-25 NEA-14 RSC-01 ISO-00

ABF-01 TRSE-00 OMB-01 EB-11 AID-20 SS-20 NSC-07 L-03

H-03 SP-03 CIAE-00 INR-11 NSAE-00 PA-04 PRS-01 USIA-15

FEA-02 COME-00 DRC-01 /195 W

----- 127358

R 160011Z JUL 74

FM USMISSION USUN NEWYORK

TO SECSTATE WASHDC 4707

INFO AMEMBASSY ADDIS ABABA

USINT ALGIERS

AMEMBASSY ATHENS

AMEMBASSY BOGOTA

AMEMBASSY BRASILIA

AMEMBASSY BRUSSELS

AMEMBASSY BUENOS AIRES

AMEMBASSY CANBERRA

AMEMBASSY CARACAS

USMISSION GENEVA

AMEMBASSY THE HAGUE

AMEMBASSY JAKARTA

AMEMBASSY JIDDA

AMEMBASSY KINSHASA

AMEMBASSY KUALA LUMPUR

AMEMBASSY LAGOS

AMEMBASSY LONDON

AMEMBASSY MEXICO

AMEMBASSY NEW DELHI

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY PORT OF SPAIN

AMEMBASSY RABAT

AMEMBASSY ROME

AMEMBASSY TEHRAN

AMEMBASSY STOCKHOLM

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 USUN N 02439 02 OF 02 160133Z

AMEMBASSY BEIRUT
USMISSION OECD PARIS UNN
USMISSION EC BRUSSELS UNN

LIMITED OFFICIAL USE SECTION 2 OF 2 USUN 2439

BEIRUT PASS USINT BAGHDAD

(B) JAPAN REPEATED \$100 MILLION PLEDGE ANNOUNCED AT ECOSOC. SPEAKING UNDER INSTRUCTION, JAPANESE DELEGATE, HOWEVER, ANNOUNCED THAT REFERENCE TO OTHER CONTRIBUTIONS IN THEIR EARLIER COMMUNICATION TO SYG SHOULD NOT BE CONSTRUED AS STRICT PRE-CONDITION. HE SAID PLEDGE WAS MADE "IN THE STRONG EXPECTATION" THAT ALL OTHER COUNTRIES WITH AID-GIVING CAPACITY WOULD ALSO CONTRIBUTE.

(C) NETHERLANDS CLARIFIED THAT WHILE ITS PLEDGE OF \$30 MILLION WAS "UNCONDITIONAL" IT WOULD BE PART OF EC CONTRIBUTION IF EC PLEDGE IMPLEMENTED, BUT WOULD BE GIVEN IN ANY EVENT.

(D) AUSTRIA ANNOUNCED FOR FIRST TIME THAT GOVERNMENT WOULD CONTRIBUTE UP TO \$15 MILLION "WITHOUT CONDITIONS" BUT SUBJECT TO PARLIAMENTARY APPROVAL, WITH EXACT FORM AND MANNER OF AID TO BE DETERMINED.

(E) SWITZERLAND MADE EXTENDED STATEMENT DESCRIBING REORIENTATION OF AID PROGRAM AND ANNOUNCING INTENTION TO DEVELOP PROGRAM OF 5 TO 6 MILLION SWISS FRANCS FOR EMERGENCY RELIEF PROGRAM AND ADDITIONAL CONTRIBUTION TO AFRICAN DEVELOPMENT FUND OF 11 MILLION SWISS FRANCS. SWISS ALSO URGED PREBISCH TO DEFINE ADDITIONALITY OF AID TO MSA'S, AS WELL AS PROVIDING AN ANALYSIS OF THEIR URGENT NEEDS, AND CRITICIZED CONCEPT OF UN SPECIAL FUND.

(F) CANADA REITERATED ALREADY ANNOUNCED PLEDGE OF \$100 MILLION, SAYING IT WOULD BE THROUGH BILATERAL CHANNELS ONLY.

(G) NEW ZEALAND SAID REPLY TO SYG'S REQUEST SHOULD BE MADE IN NEAR FUTURE.

(H) NORWAY REITERATED \$12 MILLION PLEDGE ON UNCONDITIONAL TERMS. SAID IT WANTED SEE ALL PLEDGES, THEIR CONDITIONS AND OTHER RELEVANT INFORMATION SET DOWN BY SECRETARIAT IN ONE DOCUMENT ASAP AND THAT DOCUMENT MADE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 USUN N 02439 02 OF 02 160133Z

AVAILABLE FOR USE BY ECOSOC NO LATER THAN 22 JULY.

(I) SWEDEN SAID ITS \$20 MILLION INCREASE IN DEVELOPMENT ASSISTANCE WOULD BE EITHER IN GRANTS OR IN CREDITS ON IDA TERMS, AND REITERATED POINT MADE BY U.S. RE DESIRED COORDINATION ROLE FOR JOINT IMF/IBRD MINISTERIAL COMMITTEE.

6. U.S. DELEGATE (BENNETT) SPOKE LATE IN MEETING. HIS STATEMENT TRANSMITTED SEPTEL.

7. UK DELEGATE MADE STRONGLY WORDED STATEMENT POINTING THE FINGER AT OIL PRODUCERS (AND NAMING NAMES) FOR THEIR RELATIVE SILENCE (VENEZUELAN WAS ONLY ONE TO HAVE SPOKEN AT THIS POINT). HE NOTED THAT, SINCE QUESTION OF EMERGENCY OPERATION WAS TO FACILITATE MEETING THE NEEDS OF THEMSEA'S WITH RESOURCES AVAILABLE, DISCLOSURE OF AID FLOWS WAS CRUCIAL TO ITS SUCCESS. HE WARNED THAT "UNLESS WE HEAR FROM THE OIL PRODUCERS," IT WOULD BE DIFFICULT FOR THE SECRETARY GENERAL TO PROCEED. HE CONCLUDED, "WE ALL NEED TO BE SATISFIED THAT OTHERS ARE DOING THEIR FAIR SHARE."

8. WALDHEIM HAD INVITED ALL OIL PRODUCERS TO MEETING AND ALL ATTENDED EXCEPT ECUADOR (ROMANIA OMITTED IN ERROR, NOT INVITED).

A) VENEZUELA, SPEAKING IN TONES SIMILAR TO THOSE OF DEVELOPED COUNTRIES, REPEATED ITS PLEDGE OF \$100 MILLION SPLIT EVENLY BETWEEN 1974 AND 1975. DELEGATE ADDED THAT HE JUST INFORMED THAT VENEZUELAN CONGRESS HAD JUST APPROVED \$50,000 MILLION CONTRIBUTION FOR 1974.

B) IRANIAN DELEGATE CRITICIZED DISTINCTION BETWEEN EMERGENCY AND DEVELOPMENT AID. HE SAID IRAN WAS READY WILLING AND ANXIOUS TO SHARE THE BURDEN AND HAD ALREADY SIGNED TRADE AND AID AGREEMENTS TOTALLING \$6 BILLION HE CONFIRMED THAT IRAN'S ORIGINAL PLEDGE OF \$150 MILLION OF ADDITIONAL ASSISTANCE THOROUGH MULTILATERAL CHANNELS WAS STILL AVAILABLE. IT WOULD BE FOR THE RECEIVING INSTITUTION TO DETERMINE HOW MUCH OF IT SHOULD BE FOR BALANCE OF PAYMENTS ASSISTANCE. HE NOTED THAT THE IMF STILL SEEMED THE MOST LIKELY CHANNEL FOR THESE FUNDS.

C) NIGERIA, IRAQ AND ALGERIA WHO ALL SAID THEY HAD NOT PLANNED TO SPEAK SPOKE ONLY IN REPLY TO UK LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 USUN N 02439 02 OF 02 160133Z

STATEMENT. NIGERIA POINTED TO ITS LOW PER CAPITA INCOME AND BEGGED OFF ANY CONTRIBUTION. IRAQ REPEATED ITS POSITION AT SIXTH SPECIAL SESSION THAT BURDEN FOR HELPING MSA'S SHOULD FALL LARGELY ON DEVELOPED COUNTRIES, NOT OIL EXPORTING DEVELOPING COUNTRIES. ALGERIA, IN SOMETHING OF A SURPRISE, AND SPEAKING IN SOFTER TONES THAN NIGERIA OR IRAQ STATED THAT COMMUNICATION WOULD ARRIVE SOON REGARDING UNCONDITIONAL ALGERIAN CONTRIBUTION.

9. EXCEPT FOR YUGOSLAVIA-- WHO PROMISED UNDEFINED CONTRIBUTION TO SPECIAL FUND--NEITHER RUSSIANS OR ANY OTHER EASTERN EUROPEANS SPOKE.

10. FYI. ACCORDING TO UN INFORMATION OFFICE, PREBISCH
WILL HOLD PRESS CONFERENCE MORNING OF JULY 16.
SCALI

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LESS DEVELOPED COUNTRIES, ECONOMIC ASSISTANCE, SECRETARY GENERAL, EMERGENCY PLANNING, FINANCIAL CONTRIBUTIONS, FOREIGN POLICY POSITION, COMMITTEE MEETINGS, INTERGOVERNMENTAL COOPERATION, AID RECIPIENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 16 JUL 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974USUNN02439
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740189-0860
From: USUN NEW YORK
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740743/aaaabkze.tel
Line Count: 335
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION IO
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 7
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: (1) STATE 151379; (2) USUN 2438
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 03 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 APR 2002 by worrelsw>; APPROVED <20 JUN 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SYG'S EMERGENCY OPERATION: DONORS MEETING JULY 15
TAGS: EGEN, EAID, US, UNGA, (WALDHEIM, KURT), (PRESBISCH, RAUL)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005